

**TOWN OF RIVERHEAD
Community Development Agency
Resolution # 6**

**AUTHORIZES DUNN ENGINEERING ASSOCIATES, P.C. TO PROCEED WITH
CALVERTON RAIL CONSTRUCTION ADMINISTRATION**

Councilman Dunleavy offered the following resolution,

which was seconded by Councilman Wooten

WHEREAS, the New York State Department of Transportation (NYS DOT) Calverton Industrial Enterprise Park Freight Rail Access Rehabilitation (PIN #0935.61) Economic Recovery Project in the Town of Riverhead, in Suffolk County, (hereinafter "the Municipality/Sponsor") is eligible for and has been awarded funding under Title 23 U.S. Code, as amended, according to the attached contract that calls for the apportionment of the costs of such program to be borne at the ratio of 100% Federal funds and 0% non-federal funds to support, among other things, important infrastructure projects that help attract businesses, improve commerce and revitalize local economies; and

WHEREAS, the Town of Riverhead Community Development Agency (CDA) Board desires to foster the continued development of infrastructure at the Calverton Enterprise Park site to encourage continued economic development at the site consistent with the comprehensive plans; and

WHEREAS, on February 11, 2010, the CDA Board adopted Resolution No. 2 entitled, "Awards Calverton Rail Access Rehabilitation Contract" that awarded the construction bid for the above mentioned project to Railroad Construction Co., Inc.;

WHEREAS, the CDA Board wishes to proceed with the reconstruction of the Calverton Rail Spur; and

WHEREAS, use of a construction inspection consultant from the pre-approved Suffolk County of Transportation LDSA list will expedite the delivery of the project and Dunn Engineering Associates, P.C. was on such list; and

WHEREAS, Dunn Engineering Associates, P.C. has submitted the attached proposal to perform the construction administration services for the reconstruction of the Calverton Rail Spur.

NOW, THEREFORE, BE IT RESOLVED, Dunn Engineering Associates, P.C. be and is hereby authorized to proceed subject to NYS DOT approval with the attached construction administration services proposal not to exceed \$439,587; and

BE IT FURTHER RESOLVED, that the CDA Board be and does hereby authorize the Accounting Department to issue a Town of Riverhead Purchase Order in the amount listed above; and

BE IT FURTHER RESOLVED, that the CDA Board be and does hereby authorize the Chairman to enter into a Town of Riverhead Consultant/Professional Services Agreement with Dunn Engineering Associates, P.C. subject to review and approval by the Town Attorney; and

BE IT FURTHER RESOLVED, that all Town Hall Departments may review and obtain a copy of this resolution from the E-Cabinet and, if needed, a certified copy of same may be obtained from the Office of the Town Clerk.

THE VOTE

Giglio ☒Yes ☐No

Gabrielsen ☒Yes ☐No

Wooten ☒Yes ☐No

Dunleavy ☒Yes ☐No

Walter ABSENT

The Resolution Was ☒ Was Not ☐
Thereupon Duly Declared Adopted

**RAIL TRANSPORT
DESIGN, PLANNING AND SUPPORT**

SUMMARY OF ESTIMATED HDR PROJECT COSTS FOR CONSTRUCTION INSPECTION AND CONSTRUCTION

March 31, 2009

**TOWN OF RIVERHEAD RAIL REHABILITATION PROJECT
CALVERTON INDUSTRIAL PARK**

ASSUMED WORK SCOPE AND SCHEDULE:

1.1 COMBINED ENGINEERING FEE SUMMARY		TOTAL COST
ITEMS		
A. COMBINED LABOR COSTS (FULLY LOADED COSTS)		\$383,157
B. SUBCONSULTANT COSTS (SARATOGA)		\$22,500
C. ODC'S - No Mark Up (Other direct costs and travel)		\$8,930
D. TESTING		\$25,000
F. TOTAL ESTIMATED COMBINED FEE		\$439,587

**HDR
RAIL TRANSPORT
DESIGN, PLANNING AND SUPPORT**

Privileged and Confidential

SUMMARY OF ESTIMATED HDR PROJECT COSTS FOR CONSTRUCTION INSPECTION AND CONSTRUCTION

March 31, 2009

**TOWN OF RIVERHEAD RAIL REHABILITATION PROJECT
CALVERTON INDUSTRIAL PARK**

ASSUMED WORK SCOPE AND SCHEDULE:

1.1 HDR ENGINEERING FEE SUMMARY		TOTAL COST
ITEMS		
A. HDR LABOR COSTS (FULLY LOADED COSTS)		\$264,446
B. SUBCONSULTANT COSTS (SARATOGA)		\$22,500
C. HDR ODC'S - No Mark Up (Other direct costs and travel)		\$6,895
D. TESTING		\$25,000
F. TOTAL ESTIMATED HDR FEE		\$318,841

**DEA
RAIL TRANSPORT
DESIGN, PLANNING AND SUPPORT**

SUMMARY OF ESTIMATED HDR PROJECT COSTS FOR CONSTRUCTION INSPECTION AND CONSTRUCTION

March 31, 2009

**TOWN OF RIVERHEAD RAIL REHABILITATION PROJECT
CALVERTON INDUSTRIAL PARK**

ASSUMED WORK SCOPE AND SCHEDULE:

1.1 DEA ENGINEERING FEE SUMMARY		TOTAL COST
ITEMS		
A. Total LABOR COSTS (FULLY LOADED COSTS)		\$118,711
B. Out of Pocket Costs		\$2,035
F. TOTAL ESTIMATED HDR FEE		\$120,746

HDR RAIL TRANSPORT DESIGN, PLANNING AND SUPPORT

2.0 SUMMARY OF LABOR COSTS - CONSTRUCTION INSPECTION AND CONSTRUCTION PHASE SERVICES

	HDR/TOWN OF RIVERHEAD, LI REHABILITATION OF EXISTING RAIL LINE IN PLACE CALVERTON INDUSTRIAL PARK	HDR	HDR	HDR	HDR	HDR	HDR
		QUALITY ASSURANCE QUALITY CONTROL	PROJECT ENGINEER	SENIOR PROJECT MANAGER	RESIDENT ENGINEER	TASK TOTALS	
TASK	LABOR BY TASK AND PERSONNEL CATEGORY						
I	PROJECT ADMINISTRATION						
1.1		0	0	0	0	0	0
1.2		0	0	0	0	0	0
	TASK I SUBTOTAL HOURS	0	0	0	0	0	0
	TASK I SUBTOTAL LABOR FEE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
II	CONSTRUCTION INSPECTION						
2.1	Project Management	0	0	60	0	60	60
2.2	Resident Engineer (full time for 7 months)	0	0	0	1120	1120	1120
2.3	Railroad Inspector (assume 2 days a week for 7 months)	0	0	0	0	0	0
2.4	Review of Contractor Submittals and Re-submittals (shop drawings, product data, work plans, and material samples). Assume 40 submittals for estimating purposes.	0	160	10	0	170	170
2.5	Attendance at meetings with the EIC and/or the Contractor, as required, to resolve comments to submittals. Assume 4 meetings for two (2) hours each plus preparation, follow-up, notes, resolution, etc. for a total of 10 hours per meeting	0	40	10	0	50	50
2.6	Participation in biweekly progress meetings to discuss project issues/status as required. Assume 16 meetings for a duration of two (2) hours for estimating purposes.	16	32	10	0	58	58
2.7	Resolution of unforeseen site conditions. For estimating purposes, assume that there will be 5 unforeseen site conditions/field visits.	10	80	10	0	100	100
2.8	Respond to Contractor RFIs. For estimating purposes, assume that there will be 10 RFIs that will require responses.	10	40	10	0	60	60
	TASK II SUBTOTAL HOURS	36	352	110	1120	1618	1618
	TASK II SUBTOTAL LABOR FEE	\$9,171.36	\$46,506.24	\$28,023.60	\$135,856.00	\$219,557.20	\$219,557.20
III	CONSTRUCTION SUPPORT SERVICES						
3.1	Completion of the final design of vertical and horizontal alignments once the Contractor has completed and provided the initial conditions survey to the Consultant including reviewing the initial condition survey provided by the Contractor, Developing final track alignments and profiles, Reviewing and approving As-Built survey provided by the Contractor	16	140	10	0	166	166
3.2	Schedule Diagnostic Team Meeting with NY&A, NYSDOT, Riverhead	8	8	8	8	32	32
3.3	Design of Active Grade Crossing	0	0	8	0	8	8
3.4	Review and approve grade crossing design	8	16	0	0	24	24
3.5	Shop Drawing Review of grade crossing	0	16	0	0	16	16
3.6	Review and approve Contractor's cost proposal to install grade crossing	0	8	0	0	8	8
3.7	Arrange for training of Town personnel for testing and maintenance of grade crossing warning devices	0	16	0	0	16	16
3.8	Supervise contractor's testing and certification procedures for grade crossing	0	16	0	0	16	16
3.9	Review As-built survey of grade crossing provided by the Contractor	0	8	0	0	8	8
3.10	Provide all documentation and certification necessary for acceptance of grade crossing	0	0	0	0	0	0
	TASK III SUBTOTAL HOURS	32	236	18	8	294	294
	TASK III SUBTOTAL LABOR FEE	\$8,152.32	\$31,180.32	\$4,565.68	\$970.40	\$44,868.72	\$44,868.72
	TOTAL HOURS	68	588	128	1128	1912	1912
	TOTAL LABOR FEE	\$17,323.68	\$77,686.56	\$32,609.28	\$136,826.40	\$264,445.92	\$264,445.92

DEA
RAIL TRANSPORT DESIGN, PLANNING AND SUPPORT
2.0 SUMMARY OF LABOR COSTS - CONSTRUCTION INSPECTION AND CONSTRUCTION PHASE SERVICES

HDBTOWN OF RIVERHEAD, LI REHABILITATION OF EXISTING RAIL LINE IN PLACE CALVERTON INDUSTRIAL PARK		PRINCIPAL PARTNER	PROJECT ENGINEER	SENIOR PROJECT MANAGER	RESIDENT ENGINEER	RAIL INSPECTOR	TASK TOTALS
TASK LABOR BY TASK AND PERSONNEL CATEGORY							
I PROJECT ADMINISTRATION							
1.1		24	72	128	0	0	224
		0	0	0	0	0	0
TASK I SUBTOTAL HOURS		24	72	128	0	0	224
TASK I SUBTOTAL LABOR FEE		\$5,644.80	\$10,389.92	\$20,497.92	\$0.00	\$0.00	\$36,536.64
II CONSTRUCTION INSPECTION							
2.1	Project Management	24	0	40	0	0	64
2.2	Resident Engineer (full time for 7 months)	0	0	0	0	0	0
2.3	Railroad Inspector (assume 20 hours a week for 7 months)	0	0	0	0	0	0
2.4	Review of Contractor Submittals and Re-submittals (shop drawings, product data, work plans, and material samples). Assume 40 submittals for estimating purposes.	0	0	0	0	560	560
2.5	Attendance at meetings with the EIC and/or the Contractor, as required, to resolve comments to submittals. Assume 4 meetings for two (2) hours each plus preparation, follow-up, notes, resolution, etc. for a total of 10 hours per meeting	0	0	0	0	0	0
2.6	Participation in biweekly progress meetings to discuss project issues/status as required. Assume 16 meetings for a duration of two (2) hours for estimating purposes.	4	8	8	0	0	20
2.7	Resolution of unforeseen site conditions. For estimating purposes, assume that there will be 5 unforeseen site conditions/field visits.	0	0	0	0	0	0
2.8	Respond to Contractor RFIs. For estimating purposes, assume that there will be 10 RFIs that will require responses.	0	0	0	0	0	0
TASK II SUBTOTAL HOURS		28	48	48	0	560	684
TASK II SUBTOTAL LABOR FEE		\$6,585.60	\$5,929.28	\$7,686.72	\$0.00	\$57,120.00	\$78,321.60
III CONSTRUCTION SUPPORT SERVICES							
3.1	Completion of the final design of vertical and horizontal alignments once the Contractor has completed and provided the initial conditions survey to the Consultant including reviewing the initial condition survey provided by the Contractor. Developing final	0	0	0	0	0	0
3.2	Schedule Diagnostic Team Meeting with NY&A, NYSDOT, Riverhead	8	8	0	0	8	24
3.3	Design of Active Grade Crossing	0	0	0	0	0	0
3.4	Review and approve grade crossing design	0	0	0	0	0	0
3.5	Shop Drawing Review of grade crossing	0	0	0	0	0	0
3.6	Review and approve Contractor's cost proposal to install grade crossing	0	0	0	0	0	0
3.7	Arrange for training of Town personnel for testing and maintenance of grade crossing warning devices	0	0	0	0	0	0
3.8	Supervise contractor's testing and certification procedures for grade crossing	0	0	0	0	0	0
3.9	Review As-built survey of grade crossing provided by the Contractor	0	0	0	0	0	0
3.10	Provide all documentation and certification necessary for acceptance of grade crossing	0	0	0	0	0	0
TASK III SUBTOTAL HOURS		8	8	0	0	8	24
TASK III SUBTOTAL LABOR FEE		\$1,881.60	\$1,154.88	\$0.00	\$0.00	\$816.00	\$3,852.48
TOTAL HOURS		60	128	176	0	568	932
TOTAL LABOR FEE		\$14,112.00	\$18,478.08	\$28,184.64	\$0.00	\$57,936.00	\$118,710.72
GRAND TOTAL							
TOTAL LABOR FEE							
TOTAL HOURS							

TOWN OF RIVERHEAD
Community Development Agency

Resolution # 7

**COMMITTEE FORMATION RELATING TO REQUIREMENTS OF THE
PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005 AS AMENDED**

Councilman Wooten offered the following resolution,

which was seconded by Councilman Gabrielsen

WHEREAS, the Public Authorities Accountability Act of 2005 (the "**PAAA**") as amended includes Town of Riverhead Community Development Agency (the "**CDA**") in its definition of a local authority; and

WHEREAS, the PAAA requires each Board of Directors (the "**Board**") of a local authority to have a Governance Committee and an Audit Committee and to adopt various policies, guidelines and procedures and to take various actions;

NOW, THEREFORE, BE IT RESOLVED that there is hereby established a Governance Committee, as described in the Charter of the Governance Committee attached hereto as **Attachment A**, the responsibility of the members of which shall be primarily, to keep the Board informed of current best governance practices, to review corporate governance trends, to update the CDA's corporate governance principles and to advise appointing persons on the skills and experiences required of potential Board members; and

Further RESOLVED that there is hereby established an Audit Committee, as described in the Charter of the Audit Committee attached hereto as **Attachment B**, the responsibility of the members of which shall be primarily to become familiar with corporate financial and accounting practices to the extent practicable, to recommend to the Board the hiring of an independent certified public accounting firm ("**Independent Auditor**"), to establish the compensation to be paid to the Independent Auditor and to provide direct oversight of the performance of the independent annual audit performed by the Independent Auditor; and

Further RESOLVED that each member of the Governance Committee and each member of the Audit Committee shall be "independent" as defined by the PAAA, which means that the member (for purposes of the following, an "affiliate" is any person that controls, is controlled by, or is under common control with the CDA):

- (a) is not, and in the past two years has not been, employed by the CDA or an affiliate of the CDA in an executive capacity;
- (b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the CDA or an affiliate or received

any other form of financial assistance valued at more than \$15,000 from the CDA or an affiliate;

- (c) is not a relative of an executive officer or employee in an executive position of the CDA or an affiliate; and
- (d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the CDA or an affiliate; and

Further RESOLVED that Sean Walter and John Dunleavy are appointed to the Governance Committee and shall serve at the pleasure of the Board; and

Further RESOLVED that Sean Walter, Deputy Supervisor and George Gabrielsen are appointed to the Audit Committee and shall serve at the pleasure of the Board; and

Further RESOLVED that the Town Attorney is hereby appointed as the CDA's Contracting Officer for real property dispositions; and

Further RESOLVED that the Financial Administrator is hereby appointed as the CDA's Chief Financial Officer as well as Contracting Officer for personal property dispositions; and

Further RESOLVED that the following CDA procedures remain in place as adopted by CDA Resolution #6 adopted May 1, 2007:

- The comprehensive investment policies, procedures and guidelines;
- Policies regarding the payment of salary, compensation and reimbursements to, and rules for the time and attendance of, the President and senior management;
- CDA whistleblowing policies and procedures;
- Policies and procedures related to the acquisition and disposition of real property;
- Policies and procedures related to the disposition of personal property;
- Policies and procedures related to the procurement of goods and services;
- The defense and indemnification policy for Directors;
- The code of ethics for Directors and non-salaried officers;
- CDA travel policies and procedures; and

Further RESOLVED that the CDA's salaried officers and employees shall be subject to the restrictions and standards set forth in Section 74 of the Public Officers Law, which restrictions shall serve as the code of ethics for the CDA's salaried officers and employees; and

Further RESOLVED that the CDA shall not, directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any officer, Board member or employee (or equivalent thereof) of the CDA.

RESOLVED, that the Town Clerk is hereby authorized to forward a certified copy of this resolution to the New York State Office of State Controller.

RESOLVED, that all Town Hall Departments may review and obtain a copy of this resolution from the E-Cabinet and, if needed, a certified copy of same may be obtained from the Office of the Town Clerk.

THE VOTE

Wooten ☒ Yes ☐ No Dunleavy ☒ Yes ☐ No
Gabrielsen ☒ Yes ☐ No Giglio ☒ Yes ☐ No
Walter - absent

The Resolution Was ☒ Was Not ☐
Thereupon Duly Declared Adopted

**TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY
BOARD OF DIRECTORS
AUDIT COMMITTEE CHARTER
As Per Town Board Resolution # _____
Adopted _____, 2010**

THIS CHARTER is the Charter for the Audit Committee of the Board of Directors of the Town of Riverhead Community Development Agency (respectively, the “**Committee**” and the “**CDA**”). For purposes of this Charter, an “**Independent Auditor**” shall mean a certified public accounting firm, nationally recognized, that is independent and superior in its response to the procurement process pursuant to which it was retained by the Board of Directors of the CDA (the “**Board of Directors**” or the “**Board**”).

1. **The Purpose of the Committee.** The purpose of the Committee is to:
 - Oversee and assess the effectiveness of the CDA’s reporting process to insure that the reporting process is credible, controlled and reliable, and its reporting is transparent, comparable, consistent and of high quality.
 - Oversee the accounting and reporting of the CDA to insure that the financial statements of the CDA fairly and accurately present the financial position of the CDA.
 - Oversee the internal audit activities of the CDA.

2. **The Objectives of the Committee.** The Committee’s objectives, in support of its purpose, shall be the following:
 - To assure for the CDA a system of internal financial control that will accomplish the following:
 - safeguard the assets of the CDA against loss from unauthorized use or disposition;
 - cause transactions to be executed in accordance with authorization by the Board of Directors or authorized committees of the Board of Directors and the CDA’s management (“**Management**”);
 - properly record and account for all financial transactions;
 - insure that all actions of an accounting nature are in accordance with the promulgations of the Government Accounting Standards Board; and
 - prepare financial statements that fairly present the financial position of the CDA in accordance with Generally Accepted Accounting Principles (“**GAAP**”).

 - To assure for the CDA an external audit process that satisfies the following conditions:
 - independence;

- impartiality; and
- execution in accordance with Generally Accepted Auditing Standards.
- To assure the CDA's compliance with all financial reporting obligations to third parties, whether required by statute or contract.
- To maintain free and open communication and productive working relationships with or among:
 - the members of the Committee;
 - the members of the Board of Directors;
 - Management;
 - the Independent Auditor;
 - contract parties;
 - the internal Town of Riverhead accounting staff ("**TORAS**"); and
 - other governmental entities.

3. **Authority and Powers of the Committee.** For purposes of this Charter, the term "**Professional Contract(s)**" shall mean contracts in which the CDA engages professional services, related to the purpose and objectives of the Committee as described in this Charter, in the following areas: independent audit services, legal services and other consultant services. The Committee shall have the following authority and may exercise the following powers:

- To perform all activities within the scope of this Charter.
- To report directly to the Board of Directors.
- To recommend to the Board of Directors for its approval, that the CDA enter into a Professional Contract with an Independent Auditor for the purpose of obtaining independent audit services for the CDA.
- To prescribe the compensation for the Independent Auditor.
- To authorize and cause the CDA to enter into Professional Contracts, other than the Professional Contract with the Independent Auditor, and to prescribe the compensation to be paid thereunder.
- To supervise and review the work, services and counsel provided under Professional Contracts, including but not limited to the work and services provided by the Independent Auditor. In particular, the Committee shall monitor the work of the Independent Auditor so that such work is in conformity with the requirements set forth in **Appendix 1** attached hereto.
- To have unrestricted access to (i) Management, (ii) employees of the CDA, (iii) the CDA's facilities, real and personal, (iv) the books and records of the CDA, and (v) the TORAS and its books and records.
- To oversee the TORAS and to approve its audit plan.
- To review for adequacy, reliability and clarity, and to monitor conformity with GAAP, the CDA's accounting practices, including but not limited to: (i) the procedures for internal financial control; (ii) the accounting of all transactions; (iii) the audit procedures employed by the Independent Auditor; and (iv) the dissemination of the financial position and performance information of the CDA.

- To review from time to time the fees, compensation and expenses paid under Professional Contracts.
- Any member of the Committee shall have the right to propose to his or her co-members and to Management changes and amendments to this Charter.

4. **Required Credentials for Members of the Committee.** The Committee shall consist of two (2) members of the Board and shall include the CDA Chair. Any other members of the Committee shall be appointed by the CDA Chair and shall have the following credentials:

- The ability to read and understand financial statements.
- A working knowledge of GAAP.
- A working knowledge of concepts commonly used in corporate finance.
- Employment or professional experience that involves (or involved) finance and/or accounting.
- The absence of any conflict-of-interest that would impair the individual's ability to faithfully and impartially pursue the purpose of this Committee and to perform its objectives, all as set forth in this Charter. In particular (and without limiting the generality of the foregoing), any individual to be appointed a Committee member shall not have a conflict-of-interest that would interfere with that individual's impartial selection or impartial oversight of the Independent Auditor, including but not limited to determinations as to appropriate compensation.
- Independence in accordance with the standards set forth in **Appendix 2** annexed hereto.

5. **Standards to which the Committee must adhere.** In performing its responsibilities, the Committee shall adhere to the following:

- Law, both statute and contract.
- GAAP.
- Authorization provided by the Board of Directors and by the CDA's Certificate of Incorporation and By-Laws.
- The CDA's mission and purpose.
- Commonly recognized principles of prudence, integrity and impartiality.

6. **Specific Responsibilities of the Committee.** The following is a non-exclusive list of the responsibilities of the Committee. Committee members must consider this list as a partial guide, to be supplemented by common sense and prevailing professional norms:

- In addition to other meetings required by this **Section 6**, the Committee shall meet three times per annum with the Independent Auditor and Management, including the Chief Financial Officer, to discuss issues arising within the purview of the Committee's responsibilities. The three meetings

shall occur as follows and, in addition to any other relevant topics, must include the following substantive discussions:

- The first meeting shall occur before commencement of the annual audit. At such meeting the Independent Auditor shall report, in connection with the audit that is to occur, as follows: (i) an overview of the audit process; (ii) the deliverables; (iii) the timetable; and (iv) all significant auditing policies and practices to be used by the Independent Auditor in the course of the audit;
- The second meeting shall occur at the end of the annual audit. The purpose of the meeting will be to: (i) review the draft financial statements; and (ii) discuss (a) issues raised by the Independent Auditor (including adjustments required by the Independent Auditor), (b) the report of the Independent Auditor, (c) all alternative treatments of financial information (within GAAP) that the Independent Auditor has discussed with Management and the treatment preferred by the Independent Auditor, (d) ramifications of such alternative treatments, and (e) other material written communications between the Independent Auditor and Management, including the report of the Independent Auditor.
- The third meeting shall occur prior to finalization of the Independent Auditor's report on internal control to Management (the "**Management Letter**"). The purpose of the meeting is to review the draft Management Letter (including, where applicable, internal control matters, material corrections, and any unadjusted differences), and Management's response to the draft.
- The Committee and the Independent Auditor shall annually obtain from Management written representations regarding Management's responsibility for the integrity of the control and financial reporting systems and processes of the CDA, and Management's belief about the quality of such controls and financial reports.
- The Committee shall report at least annually to the Board of Directors and, in general, shall act as a liaison between the Board of Directors and the Independent Auditor.
- The Committee members shall be reasonably available to provide guidance to the Independent Auditor and the TORAS, and to provide advice to the employees and officers of the CDA.
- Every four years, the Committee shall recommend to the Board of Directors for its approval the selection of an Independent Auditor. The Independent Auditor so recommended shall meet the criteria for independence as set forth in **Appendix 3** attached hereto. The Committee, with the help of the CDA's employees, will be responsible for carrying out the procurement process and such process shall conform to the CDA's procurement requirements.
- The Committee shall from time to time look into the industry norm for appropriate compensation for independent auditors and shall regularly

review the compensation of the Independent Auditor to ascertain whether or not it is reasonable.

- The Committee shall review all “management internal control letters” addressed to the CDA, including but not limited to the Management Letter. The Committee shall review all interim financials, the annual financials presented for audit, and the audited annual financials.
- The Committee, at least once annually, shall review with Management, including the Chief Financial Officer, and the Independent Auditor, the adequacy of the CDA’s internal control procedures and accounting and auditing procedures generally. The Committee shall review Management’s response to the comments, if any, of the Independent Auditor with respect to these procedures and practices.
- The Committee shall meet at least annually with the Independent Auditor, at a location designated by the Committee and outside the presence of Management, to discuss any issues arising within the purview of the Committee’s responsibilities.
- The Committee shall meet at least annually with Management, outside of the presence of the Independent Auditor, to discuss Management’s evaluation of the work performed by the Independent Auditor and the appropriateness of its fees.
- The Committee, when it deems necessary, shall investigate suspected or potential improprieties in bookkeeping, record retention or disclosure of financial information of the CDA. The Committee shall do the foregoing in consultation with counsel, as appropriate.
- The Committee shall review changes in accounting principles or auditing practices that had or are expected to have a significant impact on the preparation of financial statements.
- The Committee shall meet with the TORAS as required in order to discharge its responsibility to oversee the TORAS and shall review any report and recommendation by the TORAS.
- When it deems advisable, the Committee shall recommend to the Board of Directors or authorized committee of the Board of Directors, the following:
 - entering into Professional Contracts for the purpose of securing specific studies and reports, including non-audit services from the Independent Auditor, and
 - including audited financials in any required public financial disclosures or regulatory filings.
- When it deems advisable, the Committee shall recommend to Management and the Board changes to this Charter and to the charter of the TORAS, all in accordance with best practices and accounting standards. From time to time the Committee shall also review the adequacy of the internal staffing of the TORAS and recommend to Management and the Board of Directors any changes that it may deem necessary as a result of such review.
- The Committee shall cause minutes to be prepared for all of its meetings and shall review such minutes for accuracy and thereafter shall approve such minutes.

APPENDICES – REQUIREMENTS

Appendix 1 – Requirements as to the work of the Independent Auditor.

The Independent Auditor may not, while acting in the role of external auditor, provide non-audit services to the CDA without the previous written consent of the Committee. Examples of non-audit services are: bookkeeping or other services related to the accounting records or financial statements of the CDA; financial information systems design and implementation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; actuarial services; internal audit outsourcing services; management functions or human services; broker or dealer, investment advisor, or investment banking services; and legal services and expert services unrelated to the audit.

Appendix 2 – Requirements as to the independence of members of the Audit Committee.

An “independent member” shall mean a person who:

- (a) is not, and in the past two years has not been, employed by the CDA or an affiliate of the CDA in an executive capacity;
- (b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the CDA or an affiliate or received any other form of financial assistance valued at more than \$15,000 from the CDA or an affiliate;
- (c) is not a relative of an executive officer or employee in an executive position of the CDA or an affiliate; and
- (d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the CDA or an affiliate.

For purposes of the foregoing, an “affiliate” is any person that controls, is controlled by, or is under common control with the CDA.

Appendix 3 – Requirements as to the independence of the Independent Auditor.

The Independent Auditor must satisfy the following conditions: (i) an “audit partner” shall not have performed, for each of the previous five fiscal years preceding the audit year, audit services to the CDA; and (ii) an “executive” of the CDA shall not have been employed, for the twelve months preceding commencement of the audit, by the Independent Auditor if he/she participated in any capacity in the audit of the CDA during

the one year period preceding the initiation of the audit. As used herein: "audit partner" shall mean the lead (or coordinating) audit partner (having responsibility for the audit), and the audit partner responsible for reviewing the audit; "executive" shall mean the chief executive officer, chief financial officer, controller, chief accounting officer, and any other person serving in an equivalent position for the CDA.

**TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY
BOARD OF DIRECTORS
CORPORATE GOVERNANCE COMMITTEE CHARTER
As Per Town Board Resolution # _____
Adopted _____, 2010**

THIS CHARTER is the Charter for the Corporate Governance Committee of the Board of Directors of the Town of Riverhead Community Development Agency (respectively, the “**Committee**” and the “**CDA**”).

1. **The Purpose of the Committee.** The purpose of the Committee is to assist the Board of Directors of the CDA (the “**Board of Directors**” or the “**Board**”) to:
 - a. Develop and recommend to the Board, policies to promote honest and ethical conduct by Board members, officers, and employees, and enhance public confidence in the CDA;
 - b. Develop and recommend to the Board, and oversee implementation of CDA policies relating to corporate governance, including the CDA Corporate Governance Principles; and
 - c. Review on a regular basis the overall corporate governance of the CDA and recommend improvements when necessary.
2. **The Objectives of the Committee.** The Committee’s objectives, in support of its purpose, shall be the following:
 - a. To assure for the CDA an internal system of corporate governance that will accomplish the following:
 - i. Keep the Board informed of current best governance practices;
 - ii. Review on a regular basis, corporate governance trends;
 - iii. Update on a regular basis the CDA’s corporate governance principles.
 - b. To maintain free and open communication and productive working relationships with or among:
 - i. the members of the Committee;
 - ii. the members of the Board of Directors;
 - iii. Management.
3. **Authority and Powers of the Committee.** The Committee shall have the following authority and may exercise the following powers in discharging its role:
 - a. To perform all activities within the scope of this Charter;
 - b. To report directly to the Board of Directors;
 - c. To investigate any matter brought to the Committee’s attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the CDA;

- d. Any member of the Committee shall have the right to propose to his or her co-members and to Management changes and amendments to this Charter.
- 4. **Required Credentials for Members of the Committee.** The Committee shall consist of two (2) members of the Board and shall include the CDA Chair. Any other members of the Committee shall be appointed by the CDA Chair and shall have the following credentials:
 - a. A working knowledge of concepts commonly used in corporate governance;
 - b. The absence of any conflict-of-interest that would impair the individual's ability to faithfully and impartially pursue the purpose of this Committee and to perform its objectives, all as set forth in this Charter;
 - c. Independence in accordance with the standards set forth in **Appendix 1** annexed hereto.
- 5. **Standards to which the Committee must adhere.** In performing its responsibilities, the Committee shall adhere to the following:
 - a. Law, both statute and contract;
 - b. Authorization provided by the Board of Directors and by the CDA's Certificate of Incorporation and By-Laws;
 - c. The CDA's mission and purpose;
 - d. Commonly recognized principles of good corporate governance, including prudence, integrity and impartiality.
- 6. **Key Responsibilities of the Committee.** The following is a non-exclusive list of the responsibilities of the Committee set forth with the understanding that the Committee may diverge as appropriate given the circumstances. Committee members must consider this list as a partial guide, to be supplemented by common sense and prevailing professional norms:
 - a. **Meetings.** In addition to other meetings required by this Section 6, the Committee shall meet at least two times per annum, and more frequently as circumstances dictate, to discuss issues arising within the purview of the Committee's responsibilities.
 - i. The Committee shall cause adequate minutes to be prepared for all of its proceedings and records of any action taken, and shall review such minutes and records for accuracy and thereafter shall approve same.
 - ii. The Committee shall be governed by the same rules regarding meetings, notice, quorum, and voting requirements as are applicable to meetings of the Board, including without limitations any applicable provisions set forth in the Public Authorities Law and Article 7 of the Public Officers Law. The Committee may form and assign responsibilities to subcommittees when appropriate.

- iii. The Committee may request that any member of the Board, any officer or staff of the CDA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.
- b. **Reports, Recommendations and Policy Revisions.** The Committee shall report at least annually to the Board of Directors. To fulfill its purposes, the Committee shall:
 - i. coordinate and oversee an annual self-evaluation of the role and performance of the Board, its committees, and management in the governance of the CDA;
 - ii. consider corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board regarding such matters;
 - iii. review any policies or other documents relating to the governance of the CDA, including but not limited to those relating to whistleblower protection and the procurement of goods and services, and recommend CDA policy revisions to the Board as necessary;
 - iv. report to the CDA Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the CDA Chair or Board requests.
- c. **Member Guidance.** The Committee members shall be reasonably available to provide guidance and advice to the employees of the CDA.
- d. **Charter Revisions.** When it deems advisable, the Committee shall recommend to Management and the Board changes to this Charter, all in accordance with best practices and corporate governance standards.

APPENDIX 1 – REQUIREMENTS

Appendix 1 – Requirements as to the independence of Governance Committee members.

An “independent member” shall mean a person who:

- (a) is not, and in the past two years has not been, employed by the CDA or an affiliate of the CDA in an executive capacity;
- (b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the CDA or an affiliate or received any other form of financial assistance valued at more than \$15,000 from the CDA or an affiliate;
- (c) is not a relative of an executive officer or employee in an executive position of the CDA or an affiliate; and
- (d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the CDA or an affiliate.

For purposes of the foregoing, an “affiliate” is any person that controls, is controlled by, or is under common control with the CDA.

**TOWN OF RIVERHEAD
COMMUNITY DEVELOPMENT AGENCY**

Resolution # 8

AWARDS CALVERTON RAIL ACCESS REHABILITATION CONTRACT

Councilman Gabrielsen offered the following resolution,

which was seconded by Councilwoman Giglio

WHEREAS, the New York State Department of Transportation (NYS DOT) Calverton Industrial Enterprise Park Freight Rail Access Rehabilitation (PIN #0935.61) Economic Recovery Project in the Town of Riverhead, in Suffolk County, (hereinafter "the Municipality/Sponsor") is eligible for and has been awarded funding under Title 23 U.S. Code, as amended, according to the attached contract that calls for the apportionment of the costs of such program to be borne at the ratio of 100% Federal funds and 0% non-federal funds to support, among other things, important infrastructure projects that help attract businesses, improve commerce and revitalize local economies; and

WHEREAS, the Town of Riverhead Community Development Agency (CDA) Board desires to foster the continued development of infrastructure at the Calverton Enterprise Park site to encourage continued economic development at the site consistent with the comprehensive plans; and

WHEREAS, on February 11, 2010, the CDA Board adopted Resolution No. 2 entitled, "Awards Calverton Rail Access Rehabilitation Contract"; and

WHEREAS, the bid was awarded to Railroad Construction Co., Inc. in the amount of Three Million Four Hundred Ninety Six Thousand Six Hundred Eighty Four & 00/100 (\$3,496,684.00); and

WHEREAS, the Town Engineer and NYS DOT have recommended that additional work is required due to the installation of a turnout switch from the mainline of the Long Island Railroad causing the need for additional materials and labor to complete the switch installation for an increase of Three Hundred Ten Thousand Five Hundred Eighty Four & 50/100 dollars (\$310,584.50).

NOW, THEREFORE, BE IT RESOLVED, that the CDA Chairman be and is hereby authorized to execute a change order in the amount of \$310,584.50 subject to NYSDOT approval of Change Order #1; and

BE IT FURTHER RESOLVED, that the CDA Board authorizes an increase to the Town of Riverhead purchase order by the Change Order No. 1 agreed upon amount; and

BE IT FURTHER RESOLVED, that all Town Hall Departments may review and obtain a copy of this resolution from the E-Cabinet and, if needed, a certified copy of same may be obtained from the Office of the Town Clerk.

THE VOTE

Giglio ☒ Yes ☐ No

Gabrielsen ☒ Yes ☐ No

Wooten ☒ Yes ☐ No

Dunleavy ☒ Yes ☐ No

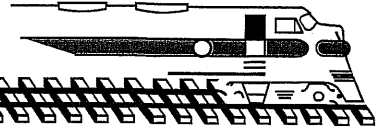
Walter ABSENT

The Resolution Was ☒ Was Not ☐
Thereupon Duly Declared Adopted

Railroad Construction Company, Inc.



Contractors - Engineers



75-77 Grove Street • Paterson, NJ 07503



Phone: 973-684-0362 • Fax: 973-684-1355

April 6, 2010

Chris Kempner
Town of Riverhead
200 Howell Avenue
Riverhead, NY 11901

Calverton Enterprise Park Rail Spur Rehab
PIN #093561
RCC Project No. R090583

PHONE (631) 727-3200 x287
FAX (631) 727-5772

Re: LOT 005 – Tie-In Change Order

Dear Ms. Kempner:

As per your request, attached please find a breakdown of the cost associated with the installation of a NO. 10 Turnout for the above mentioned project. This work includes the following:

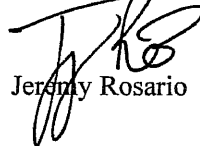
- Clearing brush as required
- Grade and compact subgrade for new track
- Panelized 1 EA NO. 10 turnout in 136# alongside existing LIRR Mainline
- Install 205 TF of ballasted track consisting of 115RE/119RE relay rail, 7"x9" creosoted hardwood ties, 1 ½ " clean stone, double shoulder tie plates, and all the necessary relay joint bars, bolts, spikes etc.
- Furnish WCH Sliding Derail
- Furnish all miscellaneous signal equipment such as signal cable, switch machine, etc.
- Initial site survey of existing LIRR mainline
- Stakes for final grading and track elevations
- Includes all associated costs such as Railroad Protective Insurance, LIRR Railroad Worker Training, etc.

Work To Be Performed by Others

- Signal work
- Installation of NO. 10 turnout on LIRR mainline

If you have any questions or comments, please do not hesitate to contact me at 201-954-1541.

Sincerely,
Railroad Construction Company, Inc.


Jeremy Rosario



E-mail: Info@RailroadConstruction.com • Website: www.RailroadConstruction.com

EQUAL OPPORTUNITY • AFFIRMATIVE ACTION EMPLOYER



Calverton Enterprise Park Rail Spur Rehabilitation

Change Order Breakdown

Item #	Description	Quantity	Unit	Unit Price	Total
02850.1	Cut, Remove and Dispose of Brush (15' from CL of Track)	1	Ac	\$ 10,800.00	\$ 10,800.00
02850.5	Grade and Compact Subgrade (8' from CL of Track)	205	Tf	\$ 10.00	\$ 2,050.00
02850.6	Furnish & Install New Wood Ties	127	Ea	\$ 86.00	\$ 10,922.00
02850.8	Furnish & Install No 1 Relay JTD or CWR (115REand/or119RE)	9	Ton	\$ 1,250.00	\$ 11,250.00
02850.9	Furnish & Install No.1 6-hole Relay Joint Bars (Pair) Includes: New Bolts, Nuts and Washers	10	Pr	\$ 210.00	\$ 2,100.00
02850.10	Furnish & Install New 6 – Hole Compromise Joint Bars	4	Pr	\$ 660.00	\$ 2,640.00
02850.11	Furnish & Install New Bolt Assemblies Includes: New Bolts, Nuts and Washers	18	Ea.	\$ 12.00	\$ 216.00
02850.12A	Wood Tie Track Construction; Includes Labor and Equipment	205	Tf	\$ 73.70	\$ 15,108.50
02850.13	Furnish & Install Ballast (AREMA # 4)	280	Ton	\$ 46.00	\$ 12,880.00
02851.3	Furnish & Install New Turnout (#10,136RE) Installation NIC *	1	Ea.	\$ 86,720.00	\$ 86,720.00
02858.1	Furnish & Install DSC No 1 Relay tie Plates	254	Ea.	\$ 10.00	\$ 2,540.00
02858.2	Furnish & Install New Drive on Anchors	168	Ea.	\$ 6.00	\$ 1,008.00
02858.4	Furnish & Install Sliding Derail	1	Ea.	\$ 13,150.00	\$ 13,150.00
02950.1	Right of Entry to LIRR & Associated Costs (Including Railroad Protective Insurance)	1	LS	\$ 19,200.00	\$ 19,200.00
02951.0	Signal Hardware	1	LS	\$ 106,000.00	\$ 106,000.00
02826.A	Initial Conditions Survey	1	LS	\$ 4,000.00	\$ 4,000.00
02826.B	Survey and Staking After Grading	1	LS	\$ 10,000.00	\$ 10,000.00
					\$ 310,584.50

* - New turnout to be panelized alongside existing LIRR Mainline. Cut and throw of turnout to be performed by others

**TOWN OF RIVERHEAD
Community Development Agency
Resolution # 9**

**AUTHORIZES SYSTRA TO PROCEED WITH PROFESSIONAL SERVICES FOR
THE CONSTRUCTION OF THE CALVERTON RAIL REHABILITATION**

Councilman Dunleavy offered the following resolution,

which was seconded by Councilman Wooten

WHEREAS, the New York State Empire State Development Corporation (ESD) announced the availability of \$35 million through the Downstate Regional Blueprint Fund to support projects that help attract businesses, improve commerce and revitalize local economies; and

WHEREAS, the Town of Riverhead Community Development Agency (CDA) Board desires to foster the continued development of infrastructure at the Calverton Enterprise Park site to encourage continued economic development at the site consistent with the comprehensive plans; and

WHEREAS, the CDA Board desires to foster the continued development of infrastructure at the Calverton Enterprise Park site to encourage continued economic development at the site consistent with the comprehensive plans; and

WHEREAS, in furtherance of development of infrastructure at the Calverton Enterprise Park, the Town of Riverhead/CDA applied for and received funding from ESD for the Town of Riverhead Calverton Rail Access Rehabilitation project; and

WHEREAS, the CDA authorized the acceptance of a Downstate Regional Blueprint Fund Project Award from ESD in the amount of \$650,000 towards the Calverton Rail Access Rehabilitation Project;

WHEREAS, the funding associated with the Downstate Regional Blueprint Fund is limited to 20% of project cost and is through a reimbursement program, not a grant program, thus the Town of Riverhead/CDA will pay project costs first then request reimbursement of eligible costs from ESD; and

WHEREAS, on February 11, 2010, the CDA Board adopted Resolution No. 2 entitled, "Awards Calverton Rail Access Rehabilitation Contract" that awarded the construction bid for the above mentioned project to Railroad Construction Co., Inc.;

WHEREAS, the Town of Riverhead/CDA wishes to proceed with the reconstruction of the Calverton Rail Spur; and

WHEREAS, use of a rail planning consultant will expedite the delivery of the project; and

WHEREAS, SYSTRA has submitted the attached proposal to perform the rail planning consultant services for the reconstruction of the Calverton Rail Spur.

NOW, THEREFORE, BE IT RESOLVED, SYSTRA be and is hereby authorized to proceed with the attached rail planning consultant services proposal not to exceed \$40,000; and

BE IT FURTHER RESOLVED, that the CDA Board be and does hereby authorize the Accounting Department to issue a Town of Riverhead Purchase Order not to exceed the amount listed above; and

BE IT FURTHER RESOLVED, that the CDA Board be and does hereby authorize the Chairman to enter into a Town of Riverhead Consultant/Professional Services Agreement with SYSTRA subject to review and approval by the Town Attorney; and

BE IT FURTHER RESOLVED, that all Town Hall Departments may review and obtain a copy of this resolution from the E-Cabinet and, if needed, a certified copy of same may be obtained from the Office of the Town Clerk.

THE VOTE

Wooten ☒Yes ☐No

Dunleavy ☒Yes ☐No

Giglio ☒Yes ☐No

Gabrielsen ☒Yes ☐No

Walter ABSENT

The Resolution Was ☒ Was Not ☐

Thereupon Duly Declared Adopted

SYSTRA Logistics and Planning Proposal to Support the Town of Riverhead's Calverton Spur Rail Rehabilitation at Enterprise Park at Calverton (EPCAL).

Scope of the Assignment

In consultation with the Town of Riverhead's Community Development and Engineering Department, Brian Dolan of SYSTRA will provide planning and logistics support services for the rehabilitation of the 3.5 mile Calverton rail spur at EPCAL.

Elements of the Scope Assignment

- **Task One:** Coordinate a Third Party Agreement between New York & Atlantic Railway and the Town of Riverhead that will identify the requirements for the New York & Atlantic Railway to operate freight services to EPCAL.
- **Task Two:** Coordinate plans between the Town of Riverhead, New York State Department of Transportation and the MTA Long Island Rail Road to install at Mainline turn out (switch) that will allow the delivery of freight service to EPCAL freight users.
- **Task Three:** Coordinate project briefings for Long Island opinion leaders on the purpose of project and status of the work.
- **Task Four:** Coordinate project status briefings with tenants at EPCAL and potential freight users.
- **Task Five:** Coordinate project status briefings for local elected and state-wide officials.

Assignment Timeline

- Once approved by Riverhead officials, work starts within one week of approval with one preparatory meeting with Riverhead officials (2 hours).

Fee Structure

- Brian Dolan's hourly fee for this assignment is \$210.00 an hour. Hours required for each task:
 - Task One—32 hours
 - Task Two—24 hours
 - Task Three—20 hours
 - Task Four—20 hours
 - Task Five-- 24 hours

The total cost of labor for this proposed project is \$25, 320. If the Town of Riverhead requires additional tasks to be performed all work will be capped at \$40,000.

Terms and Conditions

Work performed is subject to a signed, mutually agreeable contract. At that time, all costs including any other direct costs, will be identified and agreed upon by both the Town of Riverhead and SYSTRA Consulting.